

RESERVE BANK OF INDIA BULLETIN

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INTRODUCTION

The Committee set up by the Reserve Bank of India in October 1970, under the Chairmanship of Shri V. D. Thakkar to review the special credit schemes of the commercial banks had expressed its concern at the delay in the settlement of bills of small entrepreneurs by large industries. The Reserve Bank of India, accordingly constituted in April 1971 a Committee to examine this problem and to make suitable recommendations which would ensure a speedy settlement of claims of small industrial units. The Committee has made a study of the problem on the basis of data and other material furnished by the institutions and agencies concerned *i.e.* the large scale industries, both in the private and public sector, small-scale industries as well as the banks. The Committee also extended the scope of the enquiry to cover the delay in payment of bills to small entrepreneurs by Government Departments/public sector undertakings.

The Committee has made a number of useful and practical suggestions for minimising the delay in the payment of bills of small industries. They deserve to be carefully studied by all those interested in the development of small-scale industries. It is hoped that the institutions and agencies concerned would take early steps to implement the various recommendations of the Committee, thereby removing one of the bottlenecks in the growth of small industrial enterprises in our country.

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